

Press release

BIFIRE: APPROVED THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

REVENUE AND PROFITABILITY AT PHYSIOLOGICAL LEVELS AFTER THE 2023 PEAK

NET FINANCIAL POSITION (CASH) WITH STRONG IMPROVEMENT

**THE GROWING FOCUS ON ENERGY EFFICIENCY AND FIRE PREVENTION POLICIES
OFFERS BIFIRE EXCELLENT GROWTH PROSPECTS IN THE COMING YEARS**

SHAREHOLDERS' MEETING IS CONVENED ON FIRST CALL FOR APRIL 29, 2025

**THE BOARD OF DIRECTORS THANKS MR. VARINI FOR THE DECISIVE WORK CARRIED OUT
OVER THE YEARS**

LUCA NEGRI APPOINTED AS THE NEW GENERAL MANAGER

Financial Results as of December 31, 2024:

- **Total Revenue¹: € 35.0 million, -26.2% vs. € 47.4 million as of December 31, 2023**
- **EBITDA: € 7.0 million, -45% vs. € 12.8 million in 2023**
- **Operating Profit (EBIT): € 4.1 million, -61% vs. € 10.5 million in 2023**
- **EBITDA Margin²: 20.0%, vs. the peak of 27.1% in 2023 and 20.0% in 2022**
- **Net Profit: € 3.3 million, -57.7% vs. € 7.8 million in 2023**
- **Net Financial Position: Positive at € 3.5 million, significantly improving from € 1.4 million at the end of 2023**

Desio (MB), March 10, 2025 – The Board of Directors of **BIFIRE® (EGM:FIRE)** – a company specializing in the production of thermal insulation and fire protection products for the construction and industrial sectors – met today under the chairmanship of **Alberto Abbo** and approved the financial statements for the 2024 fiscal year.

Alberto Abbo, CEO of Bifire, stated: *"The 2024 results are in line with BIFIRE normal profitability. We can say that we have returned to market standards, allowing us to focus more on investments, which are essential to ensuring future growth. Over the past year, we have particularly accelerated the completion of our two new production plants, which are now fully operational in Varedo and Seregno. This will enable us to improve production management and seize future business opportunities, especially those linked to new European prospects and the growing awareness of energy-saving and fire protection products, in which Bifire is market leader."*

Following the recent expansion of our production capacity, we are also intensifying our commercial efforts, leveraging a product range that delivers top-tier performance for all customer needs. Additionally, Bifire is strengthening its presence in the German market by opening a branch in Munich in 2024, dedicated to promoting the Bifire brand in the German market. Our financial solidity, combined

¹ Total Revenues = Sales Revenue + WIP Changes + Other Revenues

² EBITDA Margin is calculated on Total Revenues

with a strong pipeline of high-tech products, makes us confident about Bifire growth and profitability prospects. We look to the future with optimism, as the construction sector is undergoing a transformation towards more sustainable and eco-friendly practices, favouring innovative energy-efficient products—an area in which Bifire is very well prepared with new plants and products that will fully meet market demands.”

KEY FINANCIAL RESULTS AS OF DECEMBER 31, 2024

Bifire 2024 results are positive despite a highly complex market environment. The decline in **Net Sales Revenue**, which was widely expected, is primarily due to the fading impact of fiscal incentives that had positively contributed to revenue generation in the previous two years. As a result, **EBITDA** also decreased but remained at the company standard level of **20% of total revenue**. Lastly, there is a notable improvement in the **Net Financial Position**, indicating growth without reliance on debt or financial leverage.

Bifire has **consolidated** its position in the fire protection and exterior cladding sectors, maintaining a significant **market share** in the fire safety industry. The company has also increased its share in the thermal insulation field, particularly with high-tech products from the **Vacunanex** range. Additionally, Bifire has introduced new technologies and products, such as **Aquaglass** and **Bilife**.

Finally, the company has **completed its investment cycle aimed at expanding production capacity** (the third and fourth plants are now operational) and continues its research and development of new high-tech, fully fireproof products (particularly for thermal insulation). This will allow Bifire to seize the best opportunities for medium- to long-term growth arising from the **energy transition**, both in Italy and in foreign markets (especially the **DACH** region).

The following table summarizes the **main financial results of Bifire as of December 31, 2024**:

€ Million	31-December-24	31-December-23	% Change 2024 / 2023
Total Revenue³	35.0	47.4	-26.2%
EBITDA	7.0	12.8	-45.3%
EBITDA Margin⁴	20.0%	27.1%	
EBIT	4.1	10.5	-61.0%
Income before Taxes	4.0	10.3	-61.2%
Net Income	3.3	7.8	-57.7%
€ Million	31-December-24	31-December-23	% Change 2024 / 2023
Net Invested Capital	35.6	37.0	
Net Equity	39.1	38.5	1,6%
Net Financial Position	(3.5)	(1.4)	150%

³ Total Revenues = Sales Revenue + WIP Changes + Other Revenues

⁴ EBITDA Margin is calculated on Total Revenues

Total Revenue (which includes Sales Revenue and Other Revenues) amounted to €35.0 million, down 26.2% compared to the 2023 fiscal year. This decline is primarily due to the slowdown in the construction sector, more pronounced in the second half of the year, attributable both to the macroeconomic scenario affected by still-high interest rates and the definitive removal of state incentives.

EBITDA amounted to € 7.0 million, down 45.7% compared to 2023. This figure clearly demonstrates Bifire resilience in a globally challenging market, characterized by declining demand and general economic uncertainty. The solid level of EBITDA, despite the decrease in production, is also the result of the company constant focus on cost reduction and efficiency recovery.

The EBITDA Margin of 20.0% has returned to the **physiological levels** of 2022, after the peak of 27.1% in the 2023 fiscal year. The management constant commitment to the continuous **improvement and updating of production processes** has led to significant reductions in production costs.

EBIT amounted to € 4.1 million, down 61% compared to 2023 (€ 10.5 million), after € 2.9 million in Depreciation and Impairments (vs. € 2.3 million in 2023).

The 2024 fiscal year closes with a **Net Profit of € 3.3 million**, a decrease of 57.7% compared to the record level of € 7.8 million in 2023.

Investments totaled € 2.9 million, representing **8.3% of revenue**, compared to € 5.5 million in 2023 (12% of revenue). The investment activity was primarily focused on the operational startup of the third industrial plant in Varedo and, in the second half of the year, the fourth industrial plant in Seregno.

Research & Development costs incurred by Bifire in the 2024 fiscal year amounted to € 3.0 million, representing **8.6% of revenue** (compared to € 2.2 million in 2023, or 4.8% of revenue). These costs were primarily aimed at continuing the development of new products and solutions for the passive fire protection, acoustic insulation, and thermal insulation sectors.

Net Equity stands at € 39.1 million as of December 31, 2024, basically unchanged compared to € 38.5 million at the end of 2023.

Net Financial Position as of December 31, 2024, is **cash positive at € 3.5 million**, a significant improvement from € 1.4 million as of December 31, 2023.

PROPOSAL FOR THE ALLOCATION OF THE NET PROFIT

The Board of Directors has resolved to propose to the Shareholders' Meeting the allocation of the net profit of € 3,278,360 entirely to extraordinary reserves.

MARKET TREND EVOLUTION

After three years of expansion, **the construction sector, particularly the residential renovation segment, is now in a phase of contraction.** This is mainly due to the reduction in fiscal incentives, still-high interest rates despite cuts implemented as from September 2024, and ongoing macroeconomic instability.

The National Association of Building Contractors (**Ance**) **forecasts a 7% decline** in construction sector production levels for 2025 compared to 2024. This decrease is primarily attributed to the reduction in extraordinary housing maintenance investments, which are estimated to drop by 30% year-on-year.

Despite the challenges mentioned above, **the construction sector is undergoing a transformation toward more sustainable and eco-friendly practices**, which supports the production and sale of innovative products for energy efficiency and fire protection. The adoption of new technologies and materials is becoming increasingly widespread, contributing to the energy transition and the improvement of building efficiency.

The opportunities offered by the **sustainable transition and technological innovation will represent new areas of development and growth for the sector, in which Bifire is a leader**, ready with new plants and products that will fully meet the market needs.

Despite sector challenges and market uncertainty, the behaviour of the competition has not shown significant changes compared to the previous fiscal year, not triggering downward **price spirals, which have remained substantially stable compared to 2023.**

In conclusion, the **long-term positive trend** for Bifire products is confirmed thanks to:

- **Increased focus on the environment**, emissions, material health, and product recyclability.
- The need for **energy savings** to reduce Europe dependence on external sources.
- **Approval of European directives for eco-sustainable and low-energy impact housing.**

EUROPEAN DIRECTIVE “GREEN HOUSES”

On March 12, 2024, the European Parliament approved the *Green Houses* Directive.

Each member state must adopt a **national plan aimed at progressively reducing the energy consumption of residential buildings.** The target is a 16% reduction by 2030 and 20-22% by 2035. By 2050, the residential building stock must be zero-emissions. Countries will have the flexibility to decide which buildings to prioritize. The only requirement will be to ensure that at least 55% of the reduction in average primary energy consumption comes from **renovating the least efficient buildings**, those with the highest energy consumption.

This directive, in a real estate scenario like the Italian one, where 75% of buildings were constructed before the 1980s, **represents a significant opportunity for Bifire in the coming years.**

SIGNIFICANT EVENTS IN THE 2024 FISCAL YEAR

In February, **Bifire Deutschland GmbH** was established in Munich, marking the first step to better serve the DACH market.

Also in February, Bifire decided to continue its **television campaign on national networks**.

In July 2024, the fourth plant in **Seregno**, in the province of Monza Brianza, was completed – which adds to the existing facilities in **Desio (MB)**, **Paderno Dugnano (MI)**, and **Varedo (MB)**. The new plant has expanded the product range for passive fire protection, primarily targeting the DACH market, particularly with **Aquafire**, a highly innovative, fully fireproof board that is modular and can be tailored to the specific dimensions requested by the customer.

Throughout 2024, **the buy-back program continued**, aimed at the incentive plans. As a result of these operations, Bifire holds, as of March 10, 2025, a total of 147,000 treasury shares, representing 0.84% of the share capital.

SIGNIFICANT EVENTS AFTER DECEMBER 31, 2024

After December 31, 2024, no events have occurred that would require adjustments to the financial statement values or that could compromise the company continuity.

In 2025, the company continues its efforts to raise awareness of Bifire products among the general public by participating in major international events, such as the **BAU fair in Munich**, held in January.

Also in January, Bifire participated in another key industry event, **Klimahouse** in Bolzano, a prominent fair in the housing sector.

EXPECTED OUTLOOK FOR OPERATIONS

The market scenario in which Bifire operates remains very complex: in particular, the 2025 fiscal year presents challenges tied to **global instability due to the ongoing wars** in Ukraine and the Middle East.

The prospect of a gradual reduction in interest rates offers **hope for a sector recovery, starting in the second half of 2025**, particularly boosting the renovation segment with excellent growth prospects for Bifire products.

In addition to expanding production capacity and constant product innovation, 2025 will also see continued investments in communication, with **advertising campaigns** through Edilportale and Safety Village.

The overall business forecast for 2025 is expected to be a transitional year, influenced by the reduction of fiscal incentives and a general slowdown in investments in the construction sector.

The new European directives, the expected continued reduction in interest rates, and the growing awareness of energy efficiency and fire protection policies position **Bifire for growth and development in the coming years.**

APPOINTMENT OF THE GENERAL MANAGER

In January 2025, Bifire carried out a selection process aimed at strengthening its managerial structure, which led to the appointment of Mr. Luca Negri. Starting from March 31, 2025, he will take on the role of **General Manager**.

The Board of Directors has taken note of the resignation of the Commercial Director Mr. Alfredo Varini with effect from 1 May 2025. The Board of Directors expressed its heartfelt thanks to Alfredo Varini, who worked at Bifire for many years, for his important contribution to the development of the company.

SHAREHOLDERS' MEETING AND PROPOSAL FOR THE ALLOCATION OF PROFIT

The Board of Directors has resolved to convene the Shareholders' Meeting in ordinary session, for the first call, on **April 29, 2025, at 11:00 AM**, to approve the financial statements for the fiscal year ending December 31, 2024.

Furthermore, the Board of Directors has decided to propose to the Shareholders' Meeting to allocate the **net profit** of € 3,278,360 **entirely to extraordinary reserve**.

PROPOSAL FOR THE RENEWAL OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS

With the approval of the financial statements for the year ending December 31, 2024, the Board of Directors and the Board of Statutory Auditors of the Company, appointed by the ordinary Shareholders' Meeting of April 19, 2022, will expire.

Therefore, the Shareholders' Meeting, convened for the first call on April 29, 2025, will have to deliberate, based on the lists presented by the shareholders, on: (i) determining the number of members of the Board of Directors; (ii) determining the duration of the mandate of the Board of Directors; (iii) appointing the members of the Board of Directors; (iv) appointing the Chairman of the Board of Directors; (v) determining the compensation of the members of the Board of Directors.

Regarding the Board of Statutory Auditors, the same Shareholders' Meeting will have to deliberate, based on the lists presented by the shareholders, on: (i) the appointment of the members of the Board of Statutory Auditors and the Chairman of the Board of Statutory Auditors; (ii) determining the compensation of the members of the Board of Statutory Auditors.

VERIFICATION OF THE INDEPENDENCE REQUIREMENTS OF THE INDEPENDENT DIRECTOR

The Board of Directors, after examining the declaration submitted by the independent director Domenico Paolo Zaccone, with which he confirmed that he meets the independence requirements provided for in Article 148, paragraph 3, of the Consolidated Law on Finance (TUF), has verified, pursuant to Article 6-bis of the Euronext Growth Milan Issuers' Regulation, that the director Domenico Paolo Zaccone meets the independence requirements established by the Company Articles of Association.

INCENTIVE PLANS

With reference to the incentive plans in place (*i.e.* the "Bifire Employee Loyalty Plan 2022-2025" and the "Bifire Incentive Plan 2022-2025", collectively the "**Plans**"), it should be noted that, since the *performance targets* defined for the 2024 financial year have not been achieved, the shares relating to the third and final tranche will not be assigned to the beneficiaries of these Plans in 2025 of the rights to receive.

FILING OF DOCUMENTATION

The financial statements for the year ending December 31, 2024, and the financial report will be made available within the legal deadlines at the registered office at Via Lavoratori dell'Autobianchi, 1 in Desio (MB), at Borsa Italiana S.p.A., and in the "Investor Relations" section of the corporate website www.bifire.com, as well as on the authorized storage mechanism www.1info.it managed by Computershare S.p.A.

This press release is available in the Investor Relations section on the website www.bifire.it, as well as on the authorized storage mechanism www.1info.it managed by Computershare S.p.A.

About Bifire

BIFIRE® is a company active in the production of materials for fire protection and thermal insulation in the construction and industrial sectors. Bifire materials are mostly used in the field of building renovations, in particular on the market for renovations carried out with so-called "dry" techniques. The spread of dry construction techniques has made it possible to reduce construction times and costs without this resulting in a loss of performance. In fact, with dry construction techniques, it is possible to accurately predict the times and phases of work, limiting as much as possible the downtime in construction, which inevitably causes the increase in construction costs. In addition, dry systems are more eco-sustainable, as the elements, thanks also to the ease of assembly-disassembly, can be recycled, replaced (in the case of degraded elements) or reused, making any future disposal less impactful. This type of technology makes it possible to design and build the parts of the building in places other than the one where the building will be built, so it is possible to carry out the final assembly phase on site, which will therefore take place in a short and controlled time.

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ATTACHMENTS

Reclassified Financial Statement as of 31 December 2024

Profit and Loss Account

<i>Eur 000</i>	<i>31-December-24</i>		<i>31-December-23</i>	
Sales Revenue	32.175		45.461	
<i>WIP</i>	0		0	
<i>Other revenues</i>	2.862		1.923	
TOTAL REVENUES	35.037	100,00%	47.384	100,00%
<i>Purchases of raw materials</i>	-10.509	-29,99%	-15.577	-32,87%
<i>Costs for services</i>	-11.078	-31,62%	-13.527	-28,55%
<i>Costs for use of third-party assets</i>	-1.104	-3,15%	-996	-2,10%
<i>Various management charges</i>	-108	-0,31%	-168	-0,35%
VALUE ADDED	12.238	34,93%	17.116	36,12%
<i>Taxes and payroll costs</i>	-5.218	-14,89%	-4.283	-9,04%
EBITDA	7.020	20,04%	12.833	27,08%
<i>Depreciation and impairment losses</i>	-2.865	-8,18%	-2.153	-4,54%
<i>Other provisions</i>	-25	-0,07%	-140	-0,30%
OPERATING RESULT (EBIT)	4.130	11,79%	10.540	22,24%
<i>Financial Income and Expenses</i>	-145	-0,41%	-202	-0,43%
PROFIT BEFORE TAXES	3.986	11,38%	10.338	21,82%
<i>Income taxes</i>	-707	-2,02%	-2.555	-5,39%
NET PROFIT	3.278	9,36%	7.784	16,43%

Reclassified Financial Statement as of 31 December 2024

Balance Sheet

<i>Eur 000</i>	31-dic-24	31-dic-23
A) NET NON CURRENT ASSETS	24.831	24.082
Intangible fixed assets	1.305	1.251
Tangible fixed assets	21.198	20.981
Financial fixed assets	2.329	1.850
B) NET WORKING CAPITAL	11.526	13.717
Inventory stock	5.666	5.230
Receivables	8.600	17.331
Other receivables	44	304
Payables	-3.563	-7.258
Other (receivables)/payables	544	-1.953
Provisions for risks and charges	-65	-150
Others	301	212
C) GROSS WORKING CAPITAL	36.358	37.799
D) SEVERANCE PAY	-868	-750
E) NET INVESTED CAPITAL	35.490	37.049
Covered by:		
F) EQUITY	38.986	38.506
G) NET FINANCIAL POSITION	-3.495	-1.457
Medium and long-term debts	4.121	4.590
Short-term debts	1.088	1.505
Cash funds	-8.705	-7.552
H) TOTAL COVERAGE	35.490	37.049

Reclassified Financial Statement as of 31 December 2024

Cash Flow Statement

€/000	31-Dec-24	31-Dec-23
Net profit	3.278	7.784
Tax effect	707	2.555
Passive interest	145	196
Plus/Minus asset alienation	0	2
Impairment losses	267	199
Depreciation	2.820	2.064
Others	25	229
Cash flow	7.242	13.028
Working capital changes		
Inventory stock	-389	2.263
Receivables	8.731	-6.323
Accruals and Deferrals	-89	-87
Payables	-3.695	-208
Other changes in net working capital	-1.224	-1.211
others	-2.429	-1.771
Total working capital charges	904	-7.337
Free cash flow	8.146	5.691
Net Investments	-3.303	-5.456
Financial value adjustments	-25	0
Investments cash flow	-3.328	-5.456
Increase (decrease) in bank debts	53	291
New financing	0	2.000
Loan repayments	-975	-1.190
Increase (decrease) in Equity	-1.268	-546
Transfer/(Purchase) of treasury shares	-1.475	0
Cash flow from financial activities	-3.665	554
Net Cash flow	1.152	790
Cash founds at the beginning of the period	7.552	6.762
Cash founds at the end of the period	8.705	7.552
Net cash founds increase (decrease)	1.152	790